

# *Chief Albert Luthuli Municipality*



## **ANNUAL REPORT – 2009/2010**

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**LIST OF ACCRONYMS USED:**

IDP	: Integrated Development Plan
PMS	: Performance Management System
SDBIP	: Service Delivery and Budget Implementation Plan
CALM	: Chief Albert Luthuli Local Municipality
PED	: Planning and Economic Development
MSA	: Municipal Systems Act
MFMA	: Municipal Finance Management Act
LUMS	: Land Use Management System
SDF	: Spatial Development Framework

## **A. PURPOSE OF THE REPORT**

The purpose of the report is to comply with section 46 Of the Municipal Systems Act (MSA), 2000, Act 32 of 2000, as well as section 121 of the MFMA (Municipal Finance Management Act), 2003, Act 56 of 2003. The report has been compiled to form part of the Annual Report since it does not contain the Annual Performance Report, in line with section 121(2)(b) and (c) of the MFMA.

## **B. LEGISLATIVE CONTEXT**

In terms of the Municipal Systems Act of 2000, Act 32, 2000, when a municipality compiles an Annual Performance Report, the following should be reflected:

- (a) the performance of the municipality and each of the external service providers which provided services during that financial year;
- (b) a comparison of the performances referred to in paragraph (a) above, with targets set for and performances in the previous financial year; and
- (c) measures taken to improve the performance.

The Annual Performance Report forms the basis for the development of the Service Delivery and Budget Implementation Plan for the annual cycle. Similarly, the Annual Performance Report also serves as a performance linkage in between the quarterly reports.

Forming part of the Annual Report, which itself is compiled in compliance to section 121 of the MFMA, section 121(2) states that it needs to provide a record of the activities the municipality undertook during the financial year to which it relates. It provides a report on the municipal performance against the budget for that financial year in order to promote accountability to its communities.

### **B.1. Integrated Development Plan (IDP)**

The IDP is one of the most important and strategic documents of the municipality. It is a five year plan, reviewed annually, which determines the strategic direction and vision of council.

Having approved its IDP before implementation on the 1 July 2009, guided by the IDP Process Plan and the District Framework, Albert Luthuli Municipality enjoined itself to the obligation to develop an annual report with a view to providing a comprehensive account of the activities undertaken during this particular financial year.

### **B.2. Budget for 2009/10 financial year**

The budget process was carried out at the same time as the IDP processes. The IDP/Budget was then approved at the end of June 2009, having undertaken a public consultation process during the month of July 2009 to source community inputs.

### **B.3. Service Delivery and Budget Implementation Plan (SDBIP)**

The SDBIP is an important element in the service delivery process since it translates all the IDP objectives into tangible and implementable projects, thereby making service delivery a reality, therefore providing a basis for performance management. Through the SDBIP, the Executive Mayor is able to hold the Municipal Manager accountable as Head of Administration and the municipality is able to account to the communities. It enables the Municipal Manager to hold accountable all the Managers that report to him. The communities, at the same time, are also able to monitor the functioning of the municipality. The SDBIP must determine the performance agreements which are entered into between the employer and the employees.

During the financial year under review, the SDBIP was formulated and approved by the Executive Mayor and it reflected all the required elements, namely, the performance of the institution per department; the targets as per the IDP document as well as the budget for projects for the financial year.

#### **B.4. Performance Management System (PMS)**

The Performance Management System of Albert Luthuli was approved by council in May 2007, alongside other key documents relating to performance management. Prior to the approval of these documents, a consultation process was undertaken which included various stakeholders within the communities around the municipality.

Furthermore, all the Section 57 Managers and other Managers (Assistant Directors on contract) have signed the performance agreements as required.

Quarterly performance reports from different municipal departments were submitted to the Planning and Economic Development department which then consolidated these into one report for consideration by the Accounting Officer. Besides the quarterly reports, all municipal departments compiled monthly reports which were considered by council during council meetings.

The monthly and quarterly reports from departments were submitted as required by legislation for the financial year under review, the only challenge experienced by the municipality was the performance appraisal for all section 57 employees.

### **C. METHODOLOGY FOLLOWED DURING THE COMPILATION OF THE REPORT**

Premised on the above-mentioned information, the report will reflect deliverables in terms of the departmental projects/programs constituting the service delivery of the municipality, reflecting the responsible manager. Reasons for any deviation during the implementation of the projects/programs are clearly outlined.

In the report, all the departments have tried to reflect, in terms of percentages, the extent to which departments have tried to achieve or attain the targets of objectives set for a particular period. It needs to be noted though, that some of the projects are/were of a long term in nature, therefore, it was difficult in other instances to determine the correct percentage in terms of achievement.

## **CHAPTER 1: INTRODUCTION AND OVERVIEW**

### **1.1 MAYOR'S FOREWORD**

FROM THE DESK OF THE EXECUTIVE MAYOR

I am privilege to have the opportunity as executive Mayor of the chief Albert Luthuli Municipality to introduce to you the Annual report for 2009/10 financial year. The 2009/10 financial year was a very eventful and productive year. As it was characterised by the very interesting activities, we saw the hosting of the World Cup for the first time in the African soil.

There were also a great deal of progress made in relations to service delivery and there was improvement with regard to community participations. A number of demanding challenges were overcome. However this Municipality is aware of the fact that challenges still remain and we are striving towards eradication them, to enable service delivery improvement.

When we took the office in March 2006, the mandate that given to us was to implement a Plan to make a local government to work better for people.

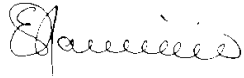
*. Specifically, the plan for local government aims to:*

- Accelerate service delivery so that all communities will have access to clean water and decent sanitation by 2010, all houses will have access to electricity by 2012, and there is universal provision of free basic services;
- Improve the way government provides housing, to ensure better quality houses located closer to economic opportunities, and combat corruption in the administration of waiting lists;
- Improve services at hospitals and clinics, schools, police stations and other government centers in our communities;
- Implement large projects in every province that will help create more work opportunities;
- Pool resources to build more and better roads, infrastructure for water and sanitation, and schools and clinics where they are needed. Using the expanded public works programme in providing infrastructure will ensure more people have work opportunities and are given skills.
- Implement other special programmes in rural and urban areas where the poorest people live, including assistance in setting up food gardens.
- Assist those who want to set up small businesses with skills, credit and other forms of support.



Even thou much still need to be don but I am very glad that indeed we have able to do more even thou we still have much to be done. The Manifesto of the Ruling party has serve as a guidelines for this council in dealing with the priorities and on how do we have to deal with them. Together we can still achieve what still need to be attendant. I would like tank all members of the Council; Officials and the public for their support. I am looking forward in working with you all to achieve a better life foe every one.

I thank you all.



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Honourable Clr. E S Dhlamini

Executive Mayor

## **1.2 STATEMENT BY THE MUNICIPAL MANAGER**

Once more, another year has gone by! The 2009/2010 financial year was quite a challenging year for this municipality. However, we should be grateful that our municipality did not have the violent service delivery unrests that crippled other municipalities in the region. As a municipality we also successfully avoided the dreaded section 139, which was very fashionable in the province!

Be that as it is, our municipality had serious challenges which necessitated interventions from the provincial administration; such as the forensic investigation. It is common cause now that such an investigation culminated in the suspension of the Accounting Officer and the Chief Financial Officer. This unsettled the administration quite considerably.

During this financial year we had a qualified audit opinion and the major issue was the Assets Register. Although a service provider was appointed to deal with the Assets Register queries it is now evident that this is a mammoth task that needs ample time to properly address all the Auditor-General's concerns. The work is still in progress and it is unlikely to be completed soon.

As a result of the incomplete Assets Register we were unable to submit the Annual Financial Statements. These were completed in time and the Assets Register could not be consolidated therein as it was not yet completed. This is of serious concern to all of us and we are doing our best to address the situation and ensure the finalisation of the Annual Financial Statements.

Due to the challenges outlined above this Annual Report is incomplete. The Annual Financial Statements must be submitted to the Auditor-General for auditing, after which an Audit Report will be issued by the Auditor-General. That report will then be the final component of the Annual Report.

The municipality also experience challenges in the delivery of infrastructure, particularly the Municipal Infrastructure Grant (MIG). The Project Management Unit of the municipality is currently outsourced but that has failed to bring the necessary improvement in the implementation of the MIG. As a result of the poor performance by the external PMU a Business Plan was developed and submitted to COGTA to approve the establishment of an internal PMU. The necessary approval by COGTA has been obtained and the recruitment process will be finalised soon.

The internal PMU will bring clear advantages as it will be responsible for monitoring the implementation of all infrastructure projects in the municipality as opposed to the external PMU that concentrated on MIG only.

The poor performance by the PMU resulted in some of the appointed service providers also performing badly. At the end of the financial year the total MIG expenditure was just over 50%. Extra-ordinary measures had to be taken to expedite the implementation of projects and improve the delivery of infrastructure in the municipality.

The municipality implemented a number of electricity projects during the financial year. However, there is still a serious challenge on the ESKOM side as some of these projects are still not yet energised.

The implementation of the Performance Management System (PMS) of the municipality did not go as planned. Monthly and quarterly reports were submitted regularly by all departments. The problem was with the actual evaluation of the Heads of Departments and other managers. This was mainly as a result of capacity challenges and the persistent clashes with the Audit Committee that also served as a Performance Audit Committee.

Steps were taken to improve on the implementation of the PMS and the PMS function was migrated from the PED department to the Corporate Services department. A PMS Manager has been appointed.

On the financial management side there has been some improvements since there was new staff appointed. The declining payment rate trend has been reversed and revenue collection is improving. The established Revenue Task Team sits regularly to deal with various issues. Plans have also been put in place to increase the number of residents on the Indigents register and also those who receive Free Basic Services.

The development of the Spatial Development Framework (SDF) and the Land Use Management System (LUMS) is now progressing well after some challenges were resolved. Other planning related projects such as Patkamp are progressing well.

The municipality is working very hard to put plans and systems in place to improve on all types of reporting, both internally and externally. All the challenges experienced during the 2009/2010 financial year must be resolved by the next reporting due date for the 2010/2011 financial year.

We are all eagerly awaiting the local government elections and the 2011 population census. We had a wonderful working relationship with the current Political Office bearers and councillors and we look forward to an even better relationship with the next Council.

Mr VN MPILA

ACTING MUNICIPAL MANAGER

## 1.3 OVERVIEW OF THE MUNICIPALITY

### 1.3.1 Locality

The Chief Albert Luthuli Municipal area of jurisdiction stretches roughly from Diepdale and Ekulindeni along Swaziland and South African border in the East towards Hendrina to the West and then roughly from Nooitgedacht and Vygeboom Dams in the north to Warburton in the south.

The area is transversed by three prominent east west and north-south provincial routes, namely R38, R36 and R33. All three provincial routes play a tremendous role in serving as transport and economic linkages linking all areas not only within the Chief Albert Luthuli Municipal area but also with other important areas in the Highveld, Lowveld and Eastvaal regions.

The arterial route (R38) forms an important link with N11 to the west, which in turn link with N4 (Maputo Corridor) to Johannesburg, Nelspruit and Mozambique and again forms link with R40 north of Ekulindeni, which in turn also link with the Maputo Corridor and Swaziland. The arterial routes (R33 and R39) serve as an important link between the Highveld and Eastvaal regions as if forms link with N17 west of Warburton, which in turn link with N11 and N2 to the south and the capital city of Swaziland to the east. All three arterial routes (R33, R36 and R38) serve as an important road network and backbone of the region providing access to different social and economic opportunities within the Mpumalanga Province.

### 1.3.2 Geographic Profile

<b>Area:</b>	5,570 ha
<b>Coordinates:</b>	29°47'24"E 25°42'36"S by 31°08'24"E 25°32'24"S
<b>District Municipality:</b>	Gert Sibande District Municipality
<b>Region:</b>	Gert Sibande Region

### 1.3.3 Population Distribution

The municipality has a total population of 194 083 with a total household number of 46 036 and an average size of 4.2 people. The population density is estimated at 35 people per square km. The population growth is steady at 3.3% between 2001 and 2007 and the number of households increased by 6.5% during the same period.

Population Category	Percentage in the Municipality
>65 yrs old	5,2 %
36yrs to 65yrs old	19,8 %
18yrs to 35yrs old	34,8 %
Less than 18yrs old	40,1 %

Source:  
Survey 2007

Community

**Table 1:a: Demographic Information**

<b>Number of Households</b>	<b>Total Population</b>	<b>African</b>	<b>Coloured</b>	<b>Indian</b>	<b>White</b>
<b>46 036</b>	<b>194 083</b>	<b>192 086</b>	<b>346</b>	<b>1 085</b>	<b>589</b>

*Source: Community Survey 2007*

**Table 1:b: Socio-economic Information**

<b>Housing backlog (2007)</b>	<b>Unemployment rate (%)</b>	<b>Proportion of households with no income (%)</b>	<b>Skills prop. of pop. – low skilled employ (%)</b>	<b>HIV/AIDS prevalence 2007 (%)</b>	<b>People older than 14 years illiterate (%)</b>	<b>Urban/rural household split (%)</b>
<b>12 622</b>	<b>17</b>	<b>49,06</b>	<b>19</b>	<b>40,1%</b>	<b>17,56</b>	<b>7,7% (urban) 92,2% (rural)</b>

*Source: Community Survey 2007*

## **CHAPTER 2:**

### **GOVERNANCE AND INTERGOVERNMENTAL RELATIONS**

The Chief Albert Luthuli Council is comprised of the following parties, namely, African National Congress, Inkatha Freedom Party, Democratic Alliance and African Christian Democratic Party. In terms of Section 41 of the Constitution, the administration and political office bearers participate in the various IGR Structure ranging from GSDM Municipal Managers Forum, Mayor's Forum, Speaker's Forum, Chief Whip Forum, Technical Minmec, Premier Co-ordination Forum to name but a few.

No significant changes were recorded during the financial year in question in respect of the composition of Council. The meetings of these IGR Structures are normally convened once per month.

Table 2:a: The Performance Management Process Applied In Terms of Legislation

Policy and Framework	Performance Management Committee	Performance management system		Annual Performance Report			
		S57 appointees	All staff	Performance	Comparisons	Service Delivery Priorities	Performance Targets
Municipal Systems Act	Yes, no quarterly assessments were done	All section 57 Managers as well as Assistant Directors have signed their performance agreements	No, the performance management system has not been cascaded down to the lower level – below Management	Performance cannot be measured due to the fact that no assessments done	Therefore, no comparison could be made.	Municipal Transformation and Organisational development	Signing of the performance agreements

## **CHAPTER 3:**

### **INTEGRATED DEVELOPMENT PLANNING**

**Table 3:a: Integrated Development Planning**

<b>IDP approved by Council and implemented</b>	<b>Is the approved IDP seen as the single, inclusive and strategic plan for the municipality</b>	<b>Does the IDP include all core components (MSA)</b>	<b>Were community needs prioritised at ward level</b>	<b>Was the SDF approved (date) prior to IDP approval by Council</b>	<b>Were sectoral plans prepared and included in the IDP (Names / #)</b>	<b>Was the IDP prepared within set timeframes</b>
Yes	Yes	No, SDF/LUMS; DM	Yes	No. SDF/LUMS not complete	No, for the financial year under review there were no sector plans in place.	Yes

The IDP Process Plan was approved and adopted by Council at the end of June 2009 and a community involvement process was conducted in July 2009.

Three IDP meetings were held during the period under review, namely, 05/02/2010-Tjakastad; 29/10/2010 – Silobela; 3/12/2010 – Badplaas respectively.

The following Provincial Sector departments attended the Chief Albert Luthuli IDP Rep Forum meetings: DARDLA, Human Settlement, PWR&T; Social Development; Health; Eskom; Finance. Our SDF has not been completed and we don't have a disaster management plan and finance plan.

The District Municipality has attended some of the IDP meetings and has always convened the monthly IDP steering committee meetings.

## **CHAPTER 4:**

### **MUNICIPAL SERVICE DELIVERY**

#### **4.1 PROVISION OF BASIC SERVICES**

**Table 4:a: Number of Households Without Access to Basic Infrastructure Services**

<b>Type of Service</b>	<b>2008/2009</b>	<b>2009/2010</b>
Water (on site)	<b>1 155</b>	<b>941</b>
Sanitation (non-existent)	<b>12 976</b>	<b>7 079</b>

**Table 4:b: Number of Households that Gained Access to Different Municipal Services During the Past Two Municipal Financial Years**

<b>Type of service</b>	<b>2008/2009</b>	<b>2009/2010</b>
Water	458	214
Sanitation	6 363	5 897

**Table 4:c: RDP Housing**

<b>Financial year</b>	<b>Allocation R'000</b>	<b>Amount spent R'000</b>	<b>Percentage spent %</b>	<b>Number of houses built</b>	<b>Number of sites serviced</b>
<b>2008/2009</b>	<b>None</b>	<b>None</b>	<b>N/a</b>	<b>629</b>	<b>Badplaas 150 Elukwatini Ext BA – 500 Silobela Ext 4 - 900</b>
<b>2009/2010</b>	<b>None</b>	<b>None</b>	<b>N/a</b>	<b>70</b>	<b>Badplaas 150 Elukwatini Ext BA – 500 Silobela Ext 4 - 900</b>

Housing is not the core function of the municipality. The Department of Human Settlements is the custodian of the budget. The municipality is collecting data on the housing needs in the municipality and facilitating the received allocation of houses from the Department.



**Table 4:d: Electricity**

Number of households	Unit per household (kwh)	Households in Eskom areas	Unit per household (kwh)
1237	50kwts	1 474	50kwts

**Table 4:e: Water**

Number of households	Unit per household (kl)
58,000	6kl

**Table 4:f: Sanitation**

Indigent Households		
Number of households	Unit per household	Rand value Unit per
46,000		

**Table 4:g: Refuse Removal**

Indigent Households			Non-indigent households		
Number of households	Unit per household	Rand value Unit per	Number of households	Unit per household	Rand value
46,000	50% discount				

**Table 4:h: Spending Priorities (FBS)**

<b>2008/2009</b>	<b>% of budget allocated</b>	<b>2009/2010</b>	<b>% of budget allocated</b>
<b>5,741,112</b>	<b>4,04%</b>	<b>6,394,802</b>	<b>3,74%</b>

## **CHAPTER 5:**

### **INSTITUTIONAL DEVELOPMENT & TRANSFORMATION**

The organisational structure reflects the number of positions that are filled, vacant funded and vacant unfunded. Each and every financial year Departments submit critical positions to be filled and Council approves those looking at financial viability of the municipality. Currently staff complement is standing at 469 (inclusive of members of Council).

In trying to improve the employment equity, the employment equity plan is compiled for a period of five years. It has to be mentioned that this is a laborious task and involves a lot of consultation with key stakeholders. All the adverts for positions reflect that priority will be given to a particular designated group or people with disabilities. The municipality has the workplace skills development plan and the annual training report which assist in the skills development of all councillors and employees.

The following are pension funds operating within the sector, namely Municipal Employees Pension Fund, Municipal Gratuity Fund, South African Local Government Pension Fund and SAMWU Provident Fund.

**Table 5:a: Number of Post on Staff Structure**

Approved posts				Vacant posts			
MM & MSA section 57	Middle management	Admin Officers	General Workers	MM & MSA section 57	Middle management	Admin Officers	General Workers
7	18	203	151	4	4	-	-

**Table 5:b: Transformation Statistics**

All Levels							
AF	AM	CF	CM	IF	IM	WF	WM
136	239	-	-	-	-	3	2

**Table 5:c: Transformation Statistics Per Post Levels**

Municipal Manager and MSA section 57 Level								Middle Management / Supervisory Level							
AF	AM	CF	CM	IF	IM	WF	WM	AF	AM	CF	CM	IF	IM	WF	WM
1	6	-	-	-	-	-	1	3	10	-	-	-	-	-	-

**Table 5:d: Administrative Officer and General Worker Level**

Administrative Officer Level								General Worker Level							
AF	AM	CF	CM	IF	IM	WF	WM	AF	AM	CF	CM	IF	IM	WF	WM
69	134	-	-	-	-	3	1	88	63	-	-	-	-	-	-

**Table 5:e : The Demographic Information of the Municipality Compared to the Workforce of the Institution**

Total Population	African	Coloured	Indian	White
Total population	184,576	297	251	2812
%	98,2	0,2	0,1	1,5
Total municipal Posts (employed)	375	-	-	4
%	0,20	0	0	0,14

**Table 5:f: Section 57 managers and Selected Positions**

# Positions	Positions	# Filled	Employment Contracts in Place	Performance Agreements in Place
1	Municipal Manager	0	-	-
6	Sect 57 Appointees	4	4	4

**Table 5:g: Status on Human Resource Policies and Plans**

<b>Policy/ Plan</b>	<b>Developed and implemented development plan</b>	<b>Percentage of budget spend on skills</b>
Recruitment and selection	Part of HR policies	
Performance management	Performance Regulations for MM and section 56 Managers	
Skills development plan	Yes (LGSETA Submitted) 2010/2011	
Employment equity plan	Yes (DOL – Report Submitted) 2006/2010	
HRD and HRM policies	Yes, HR policies reviewed	

## **CHAPTER 6:**

### **MUNICIPAL FINANCIAL VIABILITY**

The financial statements for the period ended 30 June 2010 were not submitted to the Auditor General, a letter was written to National, Provincial treasury and Auditor General. A report was submitted to Council to inform members about late submission of the annual financial Statements. The late submission is due to incomplete Asset Register in terms of GRAP.

**Table 6:a: Performance Against Budgets**

Financial Year	Revenue				Operating Expenditure			
	Budget R'000	Actual R'000	Diff. R'000	% deviation	Budget R'000	Actual R'000	Diff. R'000	% deviation
2008/2009	141,934	139,901	2,033	1,43%	141,934	132,030	9,904	6,98%
2009/2010	170,848	166,300	4,548	2,66%	170,848	148,655	22,193	12,99%

**Table 6:b: Gross outstanding consumer debtors per service**

Financial Year	Rates	Trading Services (Electricity and Water)	Economic Services (Sewerage and Refuse)	Other	Total
	R'000	R'000	R'000	R'000	R'000
2008/2009	77,574	10,239	17,198	27,632	132,643
2009/2010	102,318	14,366	41,897	12,404	170,985
Difference	24,744	4,127	24,699	(15,228)	38,342
% Growth year on year	24,28%	28,73%	58,95%	(1,23%)	22,42%

**Table 6:c: Total debtors Age Analysis**

Financial Year	Debtor Age Analysis				
	Less than 30 days	Between 30-60 days	Between 60-90 days	More than 90 days	Total
	R'000	R'000	R'000	R'000	R'000
2008/2009	3,269	2,973	2,510	98,982	107,734
2009/2010	4,324	3,225	3,262	159,620	170,541
% growth year on year	24,40%	10,85%	23,05%	37,99%	36,83%

**Table 6:d: Staff Cost as % of Total Operating Expenditure (Excludes councillor allowances)**

Financial year	Total Expenditure salary and allowances (R'000)	Total Expenditure (R'000)	Percentage (%)
2008/2009	46,820	216,066	21,67%
2009/2010	62,566	195,379	32,02%

**Table 6:e: Level of Reliance on Grants and Subsidies**

Financial Year	Total Grants and Subsidies Received (R'000)	Total Operating Revenue (R'000)	Percentage (%)
2008/2009	87,923	141,934	61,95%
2009/2010	111,390	170,848	65,20%

**Table 6:f: Liquidity Ratio**

Financial year	Net current assets (R'000)	Net current liabilities (R'000)	Ratio
2007/2008	95,099	30,993	3:1
2008/2009	57,073	36,892	1.55:1
2009/2010	79,667	52,494	1.52:1

The liquidity ratio is above the national norm of 1.5:1 however the liquidity is decreasing every year due to increase in unspent conditional grants at the end of the financial year.

**Table 6:g: Audit Report 2009/10**

The financial statements for 2009/10 financial year are not yet submitted to the Auditor General hence the Audit report is not yet issued

<b>NR</b>	<b>Issue Raised</b>	<b>Details on the Issue Raised</b>	<b>Description of Remedial Action that Will Be Taken to Address the Issue Raised</b>
<b>1.</b>	<b>Outstanding</b>	<b>Outstanding</b>	<b>Pending</b>

**Table 6:h: Financial Policies**

<b>Policy</b>	<b>Approved by Council</b>	<b>Implemented</b>	<b>Promulgated in By-Law</b>
Tariff policy	<b>Yes</b>	<b>Yes</b>	
Credit control policy	<b>Yes</b>	<b>Yes</b>	<b>Yes</b>
Indigent policy	<b>Yes</b>	<b>Yes</b>	
SCM policy	<b>Yes</b>	<b>Yes</b>	
Valuation policy	<b>No</b>	<b>No</b>	
Investment policy	<b>Yes</b>	<b>Yes</b>	
Asset management Policy	<b>Yes</b>	<b>Yes</b>	
Financial management Policy	<b>No</b>	<b>No</b>	



## **CHAPTER 7:**

### **LOCAL ECONOMIC DEVELOPMENT**

ACTIVITY	DATE APPROVED	PROCESS PLAN
LED STRATEGY	13 October 2009	Two workshops were conducted. Five consultative meetings held with Councillors, Municipal Management, local mines, forestry, SMMEs, Tourism representatives, CoGTA. Forum established 15/09/2010 – Introduction to Council and launch scheduled
Role players and Stakeholders		Local Business Chambers Government Sectors SALGA Parastatals Private Sector: Banks, Mines, Contractors Organised Labour
Budget Proposal for Strategy implementation. Budget utilised is specifically for LED Programme	June 2010: Approved	R150 000 2008/09 R180 000 2009/10 R 130 000 2010/11 In the 2011/12 financial year an intension to create a separate vote for the Strategy implementation.
LED Section Structure	May 2010: Approved	LED Manager LED Officer Assistant LED Officer
LED Forum participative Structures	15 September 2010	Mining Industry, Forestry, Smmes, Tourism, Local Business Chambers: NAFCOC, Government Sector Departments: DARDLA, Education. Private Sector: Banks Organised Labour, Traditional Authorities.

## **CHAPTER 8:**

### **MONITORING AND EVALUATION**

The performance of various municipal departments for the financial year under review is reflected here-under:

**8.1.1 DEPARTMENT: COMMUNITY SERVICES**

**DIRECTOR: Mr. A.N MAHLANGU**

IDP – Strategic Objectives	Key Performance Indicators	Performance Targets	Activity / Actions	Target Date		Variance/ Deviation & reason if any	Progress in (%)
				Start	End		
KPA 1: INFRASTRUCTURE DEVELOPMENT AND SERVICE DELIVERY							
1. WASTE MANAGEMENT							
<ul style="list-style-type: none"><li>To ensure that the refuse removal, street cleaning services are properly operated and managed</li></ul>	<ul style="list-style-type: none"><li>Number of households with access to waste removal service</li></ul>	<ul style="list-style-type: none"><li>Clean and hygienic towns by 30 June 2010</li></ul>	<ul style="list-style-type: none"><li>Develop weekly working programmes</li><li>Procured a LDV for a Team Leader</li><li>Monitor refuse removal service that is done by contractors</li><li>Purchase of Compactor Truck for Elukwatini</li><li>Appointment of two drivers</li></ul>	Weekly  July 09  Weekly  Oct 09	Weekly  Sep 09  Weekly  Dec 09	          compactor Truck not purchased due to lack of funds  Drivers not appointed due to lack of funds	80%
<ul style="list-style-type: none"><li>To ensure that each household or property have a dustbins to be able to render an effective service.</li></ul>	<ul style="list-style-type: none"><li>Number of dust bins provided to households</li></ul>	<ul style="list-style-type: none"><li>2000 dustbins distributed by 30 June 10</li></ul>	<ul style="list-style-type: none"><li>Procure and provide dustbins</li></ul>	July 09	Dec. 09	814 dust bins distributed and 1000 dust bins purchased but could not be distributed since residents could not produce proof of	90%

						payment.	
<ul style="list-style-type: none"> <li>To minimize illegal dumping and littering</li> </ul>	<ul style="list-style-type: none"> <li>Sign posts of no dump in affected areas</li> <li>Number of areas with visible waste reduction</li> </ul>	<ul style="list-style-type: none"> <li>60% public satisfaction index by June 2010</li> </ul>	<ul style="list-style-type: none"> <li>Removal of illegal Dumps</li> <li>Conduct waste awareness and clean up campaigns in all Units.</li> <li>Procure and provide suspended refuse drums, sidewalks, no dumping sign post and skip bins.</li> </ul>	Quarterly  Quarterly  Jan 10	Quarterly  Quarterly  March 10	None	100%
<ul style="list-style-type: none"> <li>To ensure that dumping sites are permitted</li> </ul>	<ul style="list-style-type: none"> <li>Number of newly permitted dumping sites</li> </ul>	<ul style="list-style-type: none"> <li>Two sites to be permitted</li> </ul>	<ul style="list-style-type: none"> <li>Acquire funding for EIA study to legalize Empuluzi and Ekulindeni dumping sites</li> <li>Seek funding for Badplaas and Carolina landfill site development</li> </ul>	July 09  Oct 09	Sept 09  Dec 09	Funding not acquired  Letter written to ask for funding	0%  100%

IDP –Strategic Objective	Key Performance Indicators	Performance Targets	Activity/ Actions	Target Date		Variance/ Deviation & reason if any	Progress in (%)
				Start	End		
1.2 CEMETERIES AND PARKS							
<ul style="list-style-type: none"><li>To maintain parks, recreation and cultural facilities in ALM</li></ul>	<ul style="list-style-type: none"><li>Number of parks and recreational facilities maintained</li></ul>	40% of community members having access to maintained facilities by June. 10	<ul style="list-style-type: none"><li>Purchase brush cutters</li><li>Cutting of grass on recreational facility</li></ul>	July 09  Monthly	Sept. 09  Monthly	None	100%
<ul style="list-style-type: none"><li>To support the implementation of the Mpumalanga greening project</li></ul>	<ul style="list-style-type: none"><li>Number of trees planted in ALM</li><li>Number of community parks supported in ALM</li></ul>	<ul style="list-style-type: none"><li>250 trees and flowers to be planted by June 2010</li><li>10 community parks supported with trees June 2010</li></ul>	<ul style="list-style-type: none"><li>Planting of trees in all units</li><li>Conducting greening awareness campaigns</li><li>Monitoring of trees</li></ul>	Aug. 09 Sep 09  Sep 09	March 10 Dec 09  March 10	125 trees were not planted	50%

IDP –Strategic Objective	Key Performance Indicators	Performance Targets	Activity/ Actions	Target Date		Variance/ Deviation & reason if any	Progress in (%)
<ul style="list-style-type: none"> <li>To ensure sufficient land and graves for all council cemeteries.</li> </ul>	<ul style="list-style-type: none"> <li>Number of available land for cemeteries</li> <li>Number of available grave for burial</li> </ul>	All six council cemeteries have sufficient land and graves	<ul style="list-style-type: none"> <li>Update grave register</li> <li>Ensure availability of graves and numbers</li> <li>Fencing and extension of council cemeteries.</li> <li>Procure one TLB for grave digging</li> <li>Appoint one TLB operator</li> </ul>	Weekly Weekly  July 09 July 09	Weekly Weekly  July 09 July 09	TLB not procured due to shortage of finance  Not appointed because TLB was not purchased	80%
To provide support in development of cemeteries (Traditional Leaders)	<ul style="list-style-type: none"> <li>Number of tribal cemeteries fenced</li> </ul>	Six cemeteries fenced by June 2010	<ul style="list-style-type: none"> <li>Identification of cemeteries to be fenced</li> <li>Fencing of identified tribal cemeteries</li> </ul>	July 09  Oct 09	Sept. 09  Dec 09	One cemetery could not be fenced due to unavailability of site	83%
<ul style="list-style-type: none"> <li>To provide basic funeral services for unknown people.</li> </ul>	<ul style="list-style-type: none"> <li>Number of paupers buried</li> </ul>	100% pauper burial conducted	<ul style="list-style-type: none"> <li>Provide assistance for burial of unknown people</li> </ul>	July 09	June 2010	None	100%

IDP –Strategic Objective	Key Performance Indicators	Performance Targets	Activity/ Actions	Target Date		Variance/ Deviation & reason if any	Progress in (%)
• 1.3. PRIMARY HEALTH CARE SERVICE							
• To ensure delivery of comprehensive Health Care services	• Number of patients receiving PHC services	• 80 cases treated per day	<ul style="list-style-type: none"> <li>• Provide an 8 hour service and implement all health programmes.</li> <li>• Promote voluntary testing and counseling</li> <li>• Render health education to patients</li> <li>• Prepare and submit claims to Dept of Health</li> </ul>	Daily July 09  Daily  Quarterly	Daily June 10  Daily  Quarterly	None	100%
1.4 ENVIRONMENTAL HEALTH SERVICES							
• To provide Environmental Health services for the entire ALM area	• Number of inspections conducted in a month as well as condemnations	<ul style="list-style-type: none"> <li>• To conduct 40 inspections in ALM per month</li> <li>• To issue 80% certificates to food handlers</li> </ul>	<ul style="list-style-type: none"> <li>• Food safety and hygiene monitoring</li> <li>-Inspections</li> <li>-Law enforcement</li> <li>-Health education</li> <li>• Develop a year program for Environmental Health Services</li> </ul>	Daily   July 09	Daily   July 09	Not all inspections conducted as there is only one district EHP.	62%

<ul style="list-style-type: none"> <li>To conduct environmental health awareness in the community</li> </ul>	<ul style="list-style-type: none"> <li>Number of Environmental awareness campaigns conducted</li> </ul>	<ul style="list-style-type: none"> <li>30% of residents receive Environmental Health Service by June 2010</li> </ul>	<ul style="list-style-type: none"> <li>Nuisance and unhygienic situations control               <ul style="list-style-type: none"> <li>-Monitor and abate nuisances</li> <li>-control of the handling of dead animals</li> <li>-investigate pollution sources/agents</li> <li>-monitor offensive trades</li> </ul> </li> </ul>	Daily	Daily	None	100%
<ul style="list-style-type: none"> <li>To conduct regular inspections on public and private business premises in the municipal area including formal and informal trades</li> </ul>	<ul style="list-style-type: none"> <li>Number of health and competency certificates issued</li> </ul>	<ul style="list-style-type: none"> <li>40% health and competency certificate issued by June 2010</li> </ul>	<ul style="list-style-type: none"> <li>Built environment surveillance (Premises health)               <ul style="list-style-type: none"> <li>-prevention and abatement of any nuisance likely to constitute danger to public health</li> <li>-prevention of overcrowding</li> </ul> </li> </ul>	Daily	Daily	None	100%



<ul style="list-style-type: none"><li>To monitor trends of communicable diseases and poisoning cases</li></ul>	<ul style="list-style-type: none"><li>Number of people assisted during outbreaks and food poisoning</li></ul>	100% of affected getting assistance	<ul style="list-style-type: none"><li>Communicable disease control<ul style="list-style-type: none"><li>-investigate out break incidences</li><li>-conduct community awareness campaigns</li></ul></li><li>Apply effective control measures<ul style="list-style-type: none"><li>-investigate complaints</li></ul></li><li>Promulgation of by-laws</li></ul>	July 09	June 10	None	100%
IDP –Strategic Objective	Key Performance Indicators	Performance Targets	Activity/ Actions	Target Date		Variance/ Deviation & reason if any	Progress in (%)
				Start	End		
5. LIBRARIES							
<ul style="list-style-type: none"><li>To Promote a culture of reading in the community</li></ul>	<ul style="list-style-type: none"><li>Number of people with library membership</li></ul>	40% of people utilizing library	<ul style="list-style-type: none"><li>Conduct reading awareness campaigns</li><li>Fundza for Fun Reading Competition (MPLIS)SA Library Week Celebrations</li></ul>	Quarterly	Quarterly	None	100%
				Jun 10	Jun 10		
				March 10	March 10		
<ul style="list-style-type: none"><li>To promote a culture of research</li></ul>	<ul style="list-style-type: none"><li>Number of people using libraries for research</li></ul>	<ul style="list-style-type: none"><li>40% of members using library for research</li></ul>	<ul style="list-style-type: none"><li>Provide tables, shelves and chairs for study areas</li><li>To conduct research awareness in schools</li><li>Select books from MPLIS</li><li>Submit Sustainable</li></ul>	Jul 09	Jun. 10	None	100%
				Quarterly	Quarterly		
				July 09	July 09		

			ICT use Program to MPLIS out of Grant Funding for remaining libraries <ul style="list-style-type: none"><li>Submit proposal to MPLIS for a data consortium.</li></ul>	Jan 10 July 09	March 10 July 09		
<ul style="list-style-type: none"><li>Promote library services to schools in ALM</li></ul>	<ul style="list-style-type: none"><li>Number of schools using libraries</li></ul>	<ul style="list-style-type: none"><li>40% of schools having access to library service</li></ul>	<ul style="list-style-type: none"><li>Provide institutional membership to schools</li><li>Provide block loans to schools</li><li>To submit proposal for mobile library to MPLIS</li></ul>	July 09 July 09 July 09	June 10 June 10 July 09	None	100%
IDP –Strategic Objective	Key Performance Indicators	Performance Targets	Activity/ Actions	Target Date		Variance/ Deviation & reason if any	Progress in (%)
				Start	End		
GOOD GOVERNANCE AND PUBLIC PARTICIPATION							
2 SOCIAL DEVELOPMENT							
2.1 HIV/AIDS							
<ul style="list-style-type: none"><li>To create continuous HIV/AIDS awareness campaigns</li></ul>	<ul style="list-style-type: none"><li>Number of HIV/AIDS awareness campaigns</li><li>Reduction in the number of new infections</li></ul>	<ul style="list-style-type: none"><li>40% of communities educated on HIV/AIDS by June 2010</li></ul>	<ul style="list-style-type: none"><li>Conduct public education</li><li>Promote openness</li><li>Condom distribution</li></ul>	July 09	Jun 10	Programme not fully implemented since HIV AIDS Coordinator was not appointed	50%

<b>2.2 SPORTS,ARTS &amp; CULTURE</b>							
• Capacity building on various sporting codes in ALM	• -Number of sporting teams capacitated	• 60% of teams capacitated on sporting codes	• Identify experts in various sporting codes to train teams	July 09	Sept 10		
• To identify, develop, nurture and expose the talented youth of ALM.	• Number of youth participating in sport competition	• 8 sporting codes introduced by June 2010	• -Drawing up of fixtures and Monitoring all the sporting activities in their area of jurisdiction • Select players to represent ALM in Tournament • Develop awareness programme on sports and healthy life style	July 09	June 10	Not all sporting codes developed as planned	70%
• Ensure that women and men have equal access to sports, arts and culture	• Number of women participating in men's sports  • Number of groups or individuals taking part in arts and culture generics	• 10% of women participating in men's sports  • 40% of registered groups take part in Art and Culture generics	• Create women soccer teams  • Organize Art and Culture events/competitions	July 09  July 09	June 10  June 10	None	80%

2.3 MORAL REGENERATION MOVEMENT							
<ul style="list-style-type: none"> <li>To instill morals and values and to ensure sustainability of culture</li> <li>To harness and support a creative spirit of youth towards moral renewal</li> </ul>	<ul style="list-style-type: none"> <li>-Number of communities with morals and values</li> </ul>	<ul style="list-style-type: none"> <li>40 % of community members informed about morals, values and culture</li> </ul>	<ul style="list-style-type: none"> <li>Conduct back to school Campaigns</li> <li>Encourage and support youth to participate in cultural events.</li> <li>Develop a programme that will deal with (crime and corruption prevention, Teenage pregnancy and substance abuse)</li> <li>Commemorate 16 Days of Activism.</li> </ul>	Jan 10  July 09  July 09  Dec 09	Feb 10  June 10  June 10  Dec 09	None	100%
IDP –Strategic Objective	Key Performance Indicators	Performance Targets	Activity/ Actions	Target Date		Variance/ Deviation & reason if any	Progress in (%)
				Start	End		
4.1 DISABILITY GROUPS							

<ul style="list-style-type: none"> <li>To support programmes for disabled groups</li> </ul>	<ul style="list-style-type: none"> <li>Number of groups supported in ALM</li> </ul>	50% of disability groups supported	<ul style="list-style-type: none"> <li>Loud hailing for meetings.</li> <li>Give necessary support during meetings</li> <li>Liaise with other structures for support</li> </ul>	July 09	June 10	None	100%
<b>KPA 5</b>  <b>MUNICIPAL FINANCIAL VIABILITY AND MANAGEMENT</b>							
IDP – Strategic Objectives	Key Performance Indicators	Performance Targets	Activity / Actions	Target Date		Variance/ Deviation & reason if any	Progress in (%)
				Start	End		
<ul style="list-style-type: none"> <li>To ensure that budget allocation is spent as prescribed</li> </ul>	<ul style="list-style-type: none"> <li>Budget utilized as allocated</li> </ul>	<ul style="list-style-type: none"> <li>90% of budget allocation utilized</li> </ul>	<ul style="list-style-type: none"> <li>Prepare specification</li> <li>Procure and provide items</li> </ul>	July 09	Dec 09	Money was not available for other items	80%

**8.1.2 DEPARTMENT:****FINANCE****ACTING DIRECTOR:****Mr. M.J NHLABATHI**

NAME OF PROJECT	OBJECTIVE	KEY PERFORMANCE INDICATOR	TARGET DATE	VARIANCE/DEVIATION & REASON(IF ANY)	PROGRESS IN (%)
Approved MFMA implementation plan  5-year plan from 2005-2010	To have the MFMA implementation plan in place and to comply	Approved MFMA implementation plan  5-year plan from 2005-2010  (idp ref fin 01)	01/07/2009-30/06/2010	None	100%
Approved multi year budget for 2010/13 financial year	To have an approved budget	Multi-year budget compiled and approved MFMA implementation  (idp ref fin 02)	31st March for the Draft Budget and 31st May for the final budget	The draft budget was approved by Council before end of March 2010 and the Multi budget for 2010/13 was approved by Council on 08 June 2010	100%
Financial Statements submitted to Auditor-General and Council	Proper utilization of resource allocated	Compilation of Financial Statements in terms of GAMAP/GRAP standards  (idp ref fin 03)	31st August 2010	Financial statements for 2009/10 were not submitted to the Auditor General due to incomplete Asset Register	
Reduced growth of the outstanding debtors book	Increase revenue collection	Municipal Finance viability targets; ongoing objective  (idp ref fin 08)	Monthly		100%

Payment of Creditors within 30 days in terms of the MFMA	Payment of all trade and sundry creditors within the 30 days period after receipt of an invoice/claim	Turn around payment of trade and sundry creditors  (idp ref fin 04)	Monthly Creditors Reconciliation		100%
Bank reconciliation	Ensure proper management and control over cash available for monthly commitments  Maximise investments	Cash-flow management  (idp ref fin 04)	Monthly Bank Reconciliation		100%
Updated Asset register	Keep and maintain an Asset Register	Keep and maintain an Asset Register in terms of GAMAP/GRAP/GAAP requirements  (idp ref fin 05)	Service Provider Appointed on 12 June 2010 to update the Asset register	Appointed Service provider mentioned the previous Asset register was not in terms of GRAP and needs to be rectified	
Implementation of MPRA	Update and maintain a General Valuation Roll	Maintain a General Valuation Roll in terms of the MPRA (Municipal Property Rates Act, No 6 of 2004)  (idp ref fin 08)	Monthly		100%

Signed Performance contract	Approved performance contracts with progress reports on achievements	Performance Management System (PMS) aligned to the approved IDP  (idp ref fin 01)	31 <sup>st</sup> July 2010		100%
Adherence in terms of Chapter 11 of the MFMA	Effective and efficient procurement	Provide an effective supply chain management service through the Supply Chain Management Office as required by Chapter 11 of the MFMA  (idp ref fin 01)	Monthly supply chain reports		100%
Provision of free basic services	Ensure registered indigents receive / benefit from the Free Basic Services Program	Acceleration of provision of free basic services to registered indigents  (idp ref fin 07)	Monthly		100%
Revenue Enhancement	Increase in payment for municipal services	Increase in payment of municipal services by 10%  (idp ref fin 08)	Monthly	The department experience challenges in revenue collection	30%



**8.1.3 DEPARTMENT : PUBLIC SAFETY**  
**DIRECTOR : Ms. N I V MAZIBUKO**

PROJECT	OBJECTIVE	KPI	TARGET	VARIANCE/DEVIATION & REASON IF ANY	PROGR IN %
Promote the prevention of social crime	❖ To minimise social crime prevalence and incidences	❖ Participate in ALM MAM Structure ❖ 4 MAM meetings were attended	❖ To contribute to the reduction of social crime by attending all MAM meetings	❖ None	100%
Emergencies and rescue operations	❖ To control and suppress fires and mitigate emergency	❖ 323 fire and rescue calls were responded to	❖ To respond to all emergency calls received	❖ None	100%
Ensure compliance with Road Traffic Legislation	❖ To promote traffic law enforcement and abidance	❖ 1381 written notices i.r.o traffic violations were issued	❖ Improved compliance with Road Traffic Legislation	❖ None	100%
Provision of adequate road signage	❖ To ensure visibility of traffic signs and relevant information signs	❖ Pedestrian crossings and signage installed at schools for the implementation of scholar patrols	❖ Provision of signs at appropriate locations	❖ None	100%
Promote the provision of demand responsive provision of vehicle registration and licensing services	❖ To provide user friendly registration authority	❖ community having access to registration and licensing services under the municipality	❖ Increase the number of licensing service centre under the control of the municipality	❖ Mpumalanga Roads and Transport was requested to cease ownership of the Elukwatini RA to the municipality. ❖ Extra learners licence classroom was built ❖ Extra office space for BPM provided	65%
Promote the implementation of regulatory	❖ To ensure that officials abide and act as per the	❖ Weekly audits/inspections at DLTC and MVTs	❖ Detection of fraudulent activities	❖ Fraud and corruption activities are detected and dealt with.	ongoing

mechanism to combat fraud and corruption in the licensing function	regulations stipulated				
Provide fire fighting and rescue services	❖ Improve response time to emergency incidences	❖ Phase 2 of the procurement of one fully equipped and operational fire fighting unit was completed	❖ Provision of one all terrain fire unit	❖ None	100%
Promote the provision of infrastructure for fire & rescue management	❖ To give effective response to fire & rescue relevant calls	❖ One fire station is under construction in Carolina	❖ Provision of a fully equipped & functional fire station	❖ The project should be complete by end of March 2011 ❖ Delays in finalising MIG funding allocation	70%
Improve disaster mitigation measures	❖ To render assistance to households affected by forces of nature	❖ 298 households affected by rain/storm were visited and assisted	❖ Provision of tents and blankets to affected families	❖ None	100%
Promote a culture for risk avoidance among stakeholders	❖ To give relevant education and information in case of Disasters	❖ Number of risk assessment and awareness campaigns held	❖ Capacitating all the role players through integrated education and public awareness	❖ 2 plenary meetings for awareness campaigns were held ❖ Lack of funding for promotional material hampered implementation	50%
Fill critical posts	❖ To promote effective working environment and reduce staff overwork	❖ Critical posts filled	❖ One critical post was filled	❖ Budget constraints	30%
Promote skills development	❖ Capacitate officials in the department with necessary skills	❖ Scheduled training was attended by the department's staff in Driver licence Examination X 2, Traffic Training X 5, TCS data capturing X 3, Security Management X1	❖ A number of training programmes attended by members of staff	❖ None	100%

Manage the financial resources of the directorate in terms of the MFMA	❖ Ensure that all expenditures are per the relevant Act	❖ Total of departmental budget spent in terms of the MFMA	❖ % of budget allocation spent in terms of the MFMA	❖ Budget was spent as allocated, transfer of funds between operations vote was necessary in order to avoid over expenditure on certain votes	80%
Promote the prevention of social crime	❖ To minimise social crime prevalence and incidences	❖ Establishment of ALM MAM Structure	❖ To reduce social crime	❖ None	100%
Safeguard Council's assets and employees	❖ To promote safety in the municipal buildings	❖ Implement access control to key municipal buildings	❖ Improvement in access control to municipal buildings and improved safety of Council's employees and assets	❖ Incidents of theft and burglary ❖ Plans are made to staff the security services to improve monitoring	70%
Implement the department's service delivery charter	❖ To ensure compliance with Batho Pele Principles	❖ Workshop employees.	❖ Staff workshop on Batho Pele Principles	❖ None	100%
Promote stakeholder participation	❖ To ensure good governance and public participation	❖ 4 stakeholder meetings held LTF.	❖ Promote stakeholder participation	❖ None	100%
Schedule and conduct fire compliance inspections	❖ To prevent fire damage and reduce fire risks	❖ Fire inspections conducted on request	❖ Improved fire safety	❖ None	100%

Formulate and review policies and by-laws relevant to the department	❖ To ensure Policy management	❖ Fire by-laws formulated	❖ Improved fire compliance	❖ None	100%
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**8.1.4 DEPARTMENT:****INTERNAL AUDIT UNIT****HEAD OF DEPARTMENT:****Mr. BHEKI MASEKO**

PROJECT	OBJECTIVE	KPI	TARGET	VARIANCE/DEVIATION & REASON IF ANY	PROGR IN %
Follow up on Income review at unit offices Internal Audit Report	Implementation of Internal Audit recommendation and Management commitments.	Review Implementation areas of high risks relating to finances	Sept 2009	None	100
Follow up on attendance Register Internal Audit Report	Implementation of Internal Audit recommendation and Management commitments.	Review Implementation areas of high risks relating to Corporate Services	Oct 2009	None	100
Follow up on Leave Audit Internal Audit Report	Implementation of Internal Audit recommendation and Management commitments.	Review Implementation areas of high risks relating to Corporate Services	Jan 2009	None	100
Follow up on Performance Measurements Internal Audit Reports	Implementation of Internal Audit recommendation and Management commitments.	Review Implementation areas of high risks relating to Community Services	Dec 2009	None	100
Follow up on Procurement of	Implementation of Internal Audit	Review Implementation areas of high risks	Feb 2010	None	100

goods and services Internal Audit Report	recommendation and Management commitments.	relating to Supply Chain Management			
Follow up on Expenditure management Internal Audit Report	Implementation of Internal Audit recommendation and Management commitments.	Review Implementation areas of high risks relating to finances	June 2010	None	100
Review of ALM Communication strategy/protocol	Risks related to Ineffective communication measures amongst various departments of the municipality.	Review areas of high risks relating to Communications	Nov 2009	None	100
Review of land management model and or strategy	Risks related to Unavailability of land management model resulting to a number of factors including land invasion.	Review areas of high risks relating to Planning and Economic development	Mar 2010	None	100
Review of asset register	Risks related to Inadequate measures to properly safeguard municipal assets	Review (and Implementation) areas of high risks relating to finances	April 2010	None	100
Review of operational maintenance plan for water and	Risks related to Inadequate operational maintenance plan resulting to aging water	Review areas of high risks relating to Technical Services	June 2010	None	100

electricity meters, aging roads, storm water and municipal infrastructure in general.	and electricity meters, aging roads, storm water and municipal infrastructure.				
Existence of approved policies and procedures	Risks related to Systems not being regulated	Review areas of high risks relating to finances	Dec 2009	None	100
Review of procedures and processes to be followed in an event of loss of municipal assets	Risks related to Inadequate measures to deal with matters of loss control	Review areas of high risks relating to finances	Nov 2009	Deferred to 2010/11 and replaced by Fleet management ad-hoc assignment	0
<b>Performance Measurements</b>					
Public Safety 1st Quarterly report	Risks related to IDP objectives not met and Dysfunctional PMS	Review functionality of Performance Management System and adequacy and achievement of performance measurements.	2nd Quarter	None	100
Planning and Economic Development 2nd quarterly report	Risks related to IDP objectives not met and Dysfunctional PMS	Review functionality of Performance Management System and adequacy and achievement of performance measurements.	3rd Quarter	None	100
Technical Services 3rd quarterly report	Risks related to IDP objectives not met and	Review functionality of Performance Management System and adequacy and	4th Quarter	None	100

	Dysfunctional PMS	achievement of performance measurements.			
Community Services 4th quarterly report	Risks related to IDP objectives not met and Dysfunctional PMS	Review functionality of Performance Management System and adequacy and achievement of performance measurements.	1st Quarter	None	100
<b>Statutory audits</b>					
Compliance with DORA	None Compliance with DORA	Review Compliance with DORA	May 2010	None	100
<b>Ad-Hoc Assignments</b>					
Review of Tender Register	Determine chance of alterations in the register	Review compliance with MFMA	May 2010	None	100
<b>Consulting Service</b>					
Quarterly stock count	Advise on accuracy and usefulness	Advise	None	None	100
Risk Management	Assist in risk assessment workshops, and advise on effectiveness of Risk management	Advise	None	None	100
Opinion on compliance of Fixed Assets Register with GRAP requirements	To advise on areas that need immediate attention for Compliant Fixed Asset Register	Advise		None	100



**8.1.5 DEPARTMENT: PLANNING AND ECONOMIC DEVELOPMENT**

**ACTING DIRECTOR PED: MS W M MKHWANAZI**

PROJECT	OBJECTIVE	KPI	TARGET	VARIANCE / DEVIATION & REASON-IF ANY	PROGR IN %
<b>HUMAN SETTLEMENT SECTION</b>					
<b>KPA 2: BASIC SERVICE DELIVERY</b>					
<b>Housing.</b>  Development of Housing Chapter	To develop and implement a Housing Chapter/ plan for CALM	Housing Dev Plan for the municipality	30/06/10	Housing Chapter (29 /06/2010) was approved and adopted by Council. Workshop and public consultation still to be conducted	70%
Need for low-cost housing.	Develop and maintain a data base of people in need of low-cost housing	Use database for allocation of housing units	30/06/10	Dept of Human Settlement has not yet appointed a service provider for installation of database program linked to the provincial server. Currently the municipality has developed an internal database	50%
Silobela Ext 4 Rural Subsidy project (100 units)	To address the high demand in housing CALM	To provide 100 units of houses	30/06/10	The service provider has been appointed and project is in progress. Installation of sewer line	30%

				is in progress.	
People housing project (PHP) Tjakastad and Diepdal	To address the high demand in housing CALM	To provide 100 units of houses	30/06/10	The service provider has been appointed and project is in progress	40%
<b>Building Management.</b>  Building plans.	To ensure that all new buildings are constructed according to approved building plans	200 new building plans were targeted	30/06/10	For the past 12 months we have not done any inspections since we did not have a building inspector.	0%
<b>IDP/PMS</b>  Compilation and submission of performance reports	Ensure that departments adhere to Municipal Planning regulations	Reports compiled and submitted in time	Quarterly	Some Municipal Departments have not submitted reports in time, following reasons which can be best explained by the affected departments.	60%
Update and implement CALM PMS	Track departmental performance and suggest remedial actions	Improved PMS policy/Framework	Quarterly	The PMS function has been migrated to Corporate Services on the 2 <sup>nd</sup> to 3 <sup>rd</sup> May 2010 (Strategic Planning). The assessment of Managers for the period under review, namely, 2009/10	50%

				financial year, has not taken place.	
Facilitate community involvement on IDP processes	Ensure that municipality adhere to chapter 4 of the MSA	Number of public meetings conducted	Quarterly	No deviations	100%
Involve Traditional Leaders in all planning processes	Source inputs from critical / key stakeholders within the municipal boundary	Number of (x 3) consultative meetings conducted	Quarterly	Not all Traditional Leaders within CALM have been able to attend IDP meetings  During the first two meetings about 80% of traditional leaders attended.	90%
Incorporate community needs into the IDP document	Ensure that IDP contains/reflects the needs of the community	Nature of community needs incorporated into the IDP	Quarterly	Community needs are incorporated in the IDP processes after each IDP meeting. The challenge arises when Technical does not consult PED regarding the changes made on projects during IDP consultative meetings.	100%
<b>Environmental Management plan</b>	To develop and implement an Integrated Environmental	Integrated Environmental Management plan	30/06/10	A service provider was appointed by (CoGTA) in accordance with our application to develop an	90%

	<p>Management Plan for CALM</p> <p>To ensure compliance with environmental management legislation and policies</p>	Identify 100% compliance.		<p>EMP for CALM.</p> <p>Vacancy prioritized for 2009/10 financial year (Environmental Officer). Enforcement to be effected as soon as the vacancy is filled.</p>	
<b>Direct support by Province.</b>	To request direct support from Province on various issues; e.g. integrated env. management plan, etc	Minimum five (5) successful requests	30/06/10	A number of requests were sent to province to request funding. The province appointed service providers to assist CALM with LED Strategy, EMF, SDF and LUMS and Housing Development Plan. The plans are on the process of being implemented.	80%
<b>KPA 3: LOCAL ECONOMIC DEVELOPMENT</b>					
<b>PROJECT</b>	<b>OBJECTIVE</b>	<b>KPI</b>	<b>TARGET</b>	<b>VARIANCE / DEVIATION &amp; REASON-IF ANY</b>	<b>PROGR IN %</b>

LED Strategy: Alignment etc.					
Tourism plan	To promote tourism in the municipality	Number of promotions held	30/06/10	Consultations were done and awaits approval from the stakeholders (launch/introduction to Council)	50%
LED Strategy: Establishment of LED Forum/implementation of LED strategy	Develop LED vision and objective that should guide economic development within the local space	Implementation of LED strategy/LED programs	30/06/10	LED strategy was approved and adopted by Council on 13/10/2009. LED Forum was established on 15/09/2010 members of LED Forum to be introduced to Council. After which it will be launched.	90%
Promote economic development	To form partnership with local hospitality, tourism industry, Chamber of Commerce, community groups and private sector to promote economic dev.	Development Protocol booklets	31/05/10	Proposed to do partnership with the Dept of Economic Environment and Tourism (DEDET). The province has appointed a Service Provider to develop the district Tourism Strategy.	40%
Art, culture and heritage	To promote arts, culture and heritage in CALM	Number of cultural heritage events.	30/06/10	Makhonjwa Mountain still waiting for budget from the Dept of Sports, Arts and Culture (no progress).  A project of extending	40%

				the facilities at Songimvelo Nature Reserve is in progress.	
Town Planning					
Development of Middle to higher income housing.	To plan and facilitate the dev. of middle to higher income housing in CALM	Number of middle to higher income houses built	30/05/10	<p>The developer has been appointed for Pieter De Bruin Park.</p> <p>The process of receiving donation of 150 sites in Badplaas from PWR&amp;T is in progress.</p>	<p>45%</p> <p>80%</p>
ABSA project (remainder of portion 14 of the Farm Doornport 724JT) for developing houses in Badplaas	Make land available for development	To create 150 sites	30/06/10	Negotiations between DARDLA and Aventura are in process for the purchase of land and its transfer to the Municipality.	40%

**8.1.6 DEPARTMENT : CORPORATE SERVICES**

**DIRECTOR : Mr. S.F MNDEBELE**

NAME OF PROJECT	OBJECTIVE	KEY PERFORMANCE INDICATOR	TARGET DATE	VARIANCE/DEVIATION & REASON(IF ANY)	PROGRESS IN (%)
Signing of performance agreements	To have signed performance agreements for all managers	Conclusion of the performance agreements	1 July 2010 For the 2010/2011	None	100%
Delegation register	To have an approved Delegations Register	Approved delegation register	31 March 2010	None	50%
Section 80 Corporate Services Portfolio Committee meetings	To assist the Executive Mayor in discharging her function	To have regular S.80 Portfolio Committee Meetings	Monthly	None	65%
Council Meetings	Highest decision maker and has the legislative and judicial powers	To have regular Municipal Council Meetings	Bi – monthly	None	65%
Executive Com. Meetings	To have regular Mayoral Committee Meetings	Meetings of the MAYCOM	Monthly	None	65%
Organizational Performance Management System	To have a PMS in place	Organizational PMS developed	30 June 2010	Delay in the appointment of a PMS Manager ,deferred to 2010/2011	5%

Review of the Organizational Structure	To have an Organogram that respond to the Council needs	Reviewed organizational structure	June 2010	None	100%
Development and review of by -laws	To have by – laws that will regulate the operations in CALM	By-laws reviewed, approved, gazetted and implemented	5 By - Laws	Proclamation of By – Laws by the Provincial Legislature	70%
Policies	To have HR policies in place that will regulate the employer/employee relation	Policies developed & approved. by council	19 HR policies	Policies have been approved by the By – laws committee and waiting for consultation in the LLF	90%
Employment Equity	To have a EE report that will address the numerical goals and promote equity in the workplace	Development and submission of EEA report to DoL	30 June 2010	None	100%
Ward Committees	To encourage the participation of community and community organization in matters of Local Government	To provide for administrative support (office space, furniture & equipments)	30 June 2010	None	100%
Workplace Skills Plan	Submission of the WSP and ATR to LGSETA	Workplace Skills Plan submitted to LGSETA	30 June 2010	None	100%
Staff component and recruitment	To have a full staff complement	All vacant and critical positions filled	30 June 2010	Council resolved not to fill some positions	65%



Local Labour Forum Meetings	To consult labour on matters of mutual interest	Number of LLF meetings held	12 meetings	Meetings did not form quorums	15%
Training Committee	To consult labour on the development of WSP and ATR	Number of Training Committee meetings held	4 meetings	None	100%
Safety Committee	To promote health and safety at the workplace	Number of Health and Safety Committee held	4 meetings	Appointment of a Safety Officer was delayed and deferred to 2010/2011	45%

**8.1.7 DEPARTMENT     TECHNICAL SERVICES**

Perfor mance Area	Project Category/ Objectives	Project / Programme Indicators	Nr of unit/ house holds	Emple yment target	Total Project Budget	Approved 2009/10 budget	Total expenditur e till June	Targets	Pro gress %		Revised target
									Physi cal Pro gress		
CAPITAL PROJECTS											
	ELECTRI CITY PROVISIO N	Electricity connections to 435 households			2,000,000	2,000,000	2,000,000	30-Jun-10	100%		
		Energy Savings			2,000,000	2,000,000	2,000,000	30-Jun-10	100%		
		To provide electricity connections from our owns funds			1,230,000	1,230,000	1,230,000	30-Jun-10	100%		
		To provide electricity connections from DME 2008/09			2,000,000	2,000,000	2,000,000	30-Jun-10	100%		
		Street light maintenance			500,000	500,000	500,000	30-Jun-10	100%		
		To provide electricity connection from DME 2009/10			11,466,000	11,466,000	11,466,000	30-Jun-10	100%		

				Emplo yment target	Total Project Budget	Approved 2009/10 budget	Total expenditur e till June	Targets		Revised target
SANITA TION PROVI SION		Provision VIPs in Nordeen and Tinkulungwane (Ph 2)	248	22				30-Jun-10	100%	
		Completion of Provision of Vips toilets in Diepdale (phase 1)	80	20	1,023,991	1,023,991	891,523	30-Jun-10	87%	
		Provision of VIPs toilets in Ward 2 (Fernie phase 2&3)	150	18	1,127,600	1,127,600	1,020,120	30-Jun-10	90%	
		Provision of VIPs toilets in Ward 3 (Fernie A remaining areas)	160	20	1,210,208	1,000,000	1,054,638	30-Jun-10	87%	
		Water-borne sewer at Goba and Mayflower Ext E & Phola (Ph 1)	279	54	1,500,000	1,500,000	0	30-Jun-10	0%	30-Sep-10
		Provision of VIP toilets in Caithness, Mafufumbe (Remaining Areas) and Ndonga and Mayflower extension 1 (deep rural)	74	22	500,000	500,000	468,523	30-Jun-10	94%	30-Jul-10
		Provision of VIP at Bettysgoed and Robinsdale (Ph 2)	248	30	93,131	93,131	93,091	30-Jun-10	100%	
		Provision of sewerage reticulation in Solomon and B3 and Extension D&G			1,500,000	1,500,000	0	30-Jun-10	0%	30-Sep-10
		Provision of VIP toilets of toilets in Aankomste, Smithfield, Oshoek, Teekloof , Houtbos , Sthobela and Hartebeeskop			1,000,000	1,000,000	0	30-Jun-10	0%	30-Sep-10
		Provision of VIP toiles in Nhlazatshe 6, 7 and Armburg ( phase 2)	164	30	1,000,000	1,000,000	930,887	30-Jun-10	93%	20-Jul-10

				Employment target	Total Project Budget	Approved 2009/10 budget	Total expenditure till June	Targets		Revised target
		Provision of water borne sewer in Elukwatini C, Shiba village and other.	200	30	2,800,000	2,800,000	614,760	30-Jun-10	22%	30-Aug-10
		Provision of VIP toilets in: Ekulindeni, Nhlababa, Kranskop, Jossefsdal, Enkanini, Sahulube, Manani, Encakili and KaMboyi (Phase 3)			335,000	335,000	0	30-Jun-10	0%	30-Sep-10
		Provision of VIP toilets to Malahleka and Khuzulwandle (Phase 2)	148	42	1,000,000	1,000,000	962,870	30-Jun-10	96%	30-Jul-10
		Provision of VIPs in Nhlazatshe 2, 4A and C (Phase 3)	148	30	1,000,000	1,000,000	1,002,321	30-Jun-10	100%	
		Provision of Sewer Network in Silobela Ext 4	200	19	1,026,502	1,026,373	949,373	30-Jun-10	92%	30-Jul-10
		Provision of Sewer Network in Silobela Ext 4 (ph 2)	300	24	2,000,000	2,000,000	0	30-Jun-10	0%	30-Sep-10
		Provision of VIP toilets in Nhlazatshe 3, Belvedere, Aankomst and Lochiel. (Ph 2)	148	30	1,000,000	1,000,000	1,002,618	30-Jun-10	100%	
		Provision of VIP toilets in Dlamini A- D	619	24	1,000,000	1,000,000	989,728	30-Jun-10	99%	
		Provision of VIP toilets in Dlamini A- D (ph 2)	296	181	2,000,000	2,000,000	1,700,581	30-Jun-10	85%	30-Jul-10
		Provision of VIP toilets in Mbhejeka and part of Tjakastad	174	14	38,297	38,297	38,297	30-Jun-10	100%	
		Provision of VIP toilets in Mbhejeka and part of Tjakastad (ph 2)	148	30	1,000,000	100,000	935,043	30-Jun-10	94%	30-Jul-10

				Emplo yment target	Total Project Budget	Approved 2009/10 budget	Total expenditur e till June	Targets			Revised target
		Provision of VIPs in Enkaba and surrounding areas	148	22	1,000,000	1,000,000	931,604	30-Jun-10	93%		30-Jul-10
		Provision of VIP toilets in Deep Rural Areas and Farm Areas (Mkhingoma, Schoeman Area, Magudu, Asithandaneni and Mahlabathini.	150	22	1,000,000	1,000,000	0	30-Jun-10	0%		30-Sep-10
		Provision of VIP toilets Glenmore, Redhill, Dundonald & Slovo	325	27	2,200,000	2,200,000	2,127,670	30-Jun-10	97%		
		Provision of VIP toilets in Nhlazatshe 1 and Surroundings	222	62	1,500,000	1,500,000	1,498,500	30-Jun-10	100%		
		Provision of VIP toilets in Carolina Farms (Deep Rural)	24	24	250,000	250,000	206,750	30-Jun-10	83%		30-Jul-10
						32,723,708	17,487,752	30-Jun-10	53%		
					Emplo yment target	Total Project Budget	Approved 2009/10 budget	Total expenditur e till June	Targets		Revised target
<b>Water services</b>		Augmentation of Water Supply to Methula Water Treatment Works (Bulk supply line from Westo dam to Methula treatment works)			250,000	2,500,000	0	30-Jun-10	0%		30-Sep-10
		Water Reticulation at Fernie (Aerelini, Mandela section and clinic section).	33h/h	10	475,000	475,000	0	30-Jun-10	0%		30-Sep-10
		Provision of raised tanks and communal standpipes in Ndonga	80h/h	20	500,000	500,000	0	30-Jun-10	0%		30-Sep-10

			Employment target	Total Project Budget	Approved 2009/10 budget	Total expenditure till June	Targets		Revised target
<b>To increase the provision of rural household water facilities.</b>	Provision of Water Supply to Dumbarton and katshwele	162 h/h	40	580,000	580,000	360,919	30-Jun-10	62%	30-Aug-10
	Provision of basic Water Supply in Deep Rural Areas (Part of Mafufumbe, Caithness, )	50 h/h	15	300,000	300,000	0	30-Jun-10	0%	30-Sep-10
	Provision of basic water supply to deep rural areas in (Redhill and Slovo)	90 h/h	20	500,000	500,000	117,619	30-Jun-10	24%	30-Aug-10
	Provision of Boreholes in Esandleni, Block 6A, Waverly, Matjeketjeni	180 h/h	25	380,000	380,000	0	30-Jun-10	0%	30-Sep-10
	Extension of water reticulation in Robinsdale.	80 h/h	20	776,500	776,500	694,671	30-Jun-10	89%	30-Jul-10
	Provision of Water Supply to Mashonamini	96h/h	10	500,000	500,000	0	30-Jun-10	0%	30-Sep-10
	Water reticulation in Oshoek, Hartesbeeskop and Smithfied.	900h/h	50	4,000,000	4,000,000	2,439,502	30-Jun-10	61%	30-Aug-10
	Bulk and water reticulation in Nhlazatshe 7			1,460,000	1,460,000	0	30-Jun-10	0%	30-Oct-10
	Provision of Water Reticulation in Ntababomvu.	122 h/h	20	480,000	480,000	0	30-Jun-10	0%	
	Provision of Water Reticulation in Josefsdale			70,000	70,000	70,000	30-Jun-10	100%	
	Completion of water reticulation network in Khuzulwandle	85h/h	11	180,000	180,000	0	30-Jun-10	0%	30-Aug-10
	Water reticulation in Avontuur and remaining areas			500,000	500,000	0	30-Jun-10	0%	30-Sep-10

				Emplo yment target	Total Project Budget	Approved 2009/10 budget	Total expenditur e till June	Targets			Revised target
		Communal water reticulation in Pampoen	35 h/h	14	800,000	800,000	0	30-Jun-10	0%		30-Oct-10
		Replacement of AC Pipes in Silobela Ext 1	5229 h/h	28	2,500,000	2,500,000	1,175,358	30-Jun-10	47%		30-Aug-10
		Water Conversation and Demand Management						30-Jun-10			
		TOTAL FOR WATER PROJECT				16,501,500	4,858,069		29%		
	OTHER	Construction of a Fire Station in Carolina / Silobela		10	1,750,000	1,750,000	330,808	30-Jun-10	19%		30-Aug-10
		Construction of Landfill site in Elukwatini			4,000,000	4,000,000	0	30-Jun-10	0%		30-Nov-10
		Refurbishment of DWAF Scheme			7,004,000	7,004,000	7,004,000	30-Jun-10	100%		
		Impande consulting Engineers			1,890,600	1,890,600	1,499,688	30-Jun-10	79%		30-Sep-10
						14,644,600	8,834,496	30-Jun-10	60%		
	ROADS	Construction of Stormwater drainage on Nhlazatshe 1&2 road to Barcelona.		19	873,623	873,623	757,367	30-Jun-10	87%		30-Jul-10
GRAND TOTAL					64,743,431	31,937,684	30-Jun-10	49%			

## **10. CONCLUSION**

As highlighted earlier in the report, 2009/2010 was a challenging year in various respects.

This report is lacking in certain respects due to the reasons already outlined. The management of the municipality and the political leadership must work together and overcome all the challenges currently faced by the municipality. The annual financial statements and the Auditor-General's report will be attached to this report eventually. At that point the readers of the full Annual Report will be able to put everything into proper perspective and interpret the information herein correctly. For now we thank you for your understanding.



## **ANNEXTURE A**

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**CL 14/12/2010**

<b>C13/12/10/R    FINANCE : CONTRACTS AND CONTRACT MANAGEMENT : REPORT ON SUBMISSION OF ANNUAL FINANCIAL STATEMENTS 2009/2010</b>
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**CL2.160Resolved**

**That**

1. Council takes note that the Financial Statements of 2009/10 are not yet submitted to the Auditor-General.
2. Council takes note that the proposed date for submission of the Financial Statements for 2009/10 will be 28 February 2011.
3. Council takes note of the solutions Administration proposes and implements to ensure the compilation of a GRAP compliant Asset Register and Financial Statements for 2009/10.
4. The revised Business Plans for the Finance Management Grant (FMG) and Municipal Systems Improvement Grant (MSIG) be submitted to National and Provincial Treasury.

**C06/08/11/R ANNUAL REPORT: SUBMISSION AND TABLING OF ANNUAL REPORT FOR THE 2009/10 FINANCIAL YEAR**

**CL2.114 Resolved  
That**

1. Council rejects the annual report as per the reasons advanced below:

**1.1 Some of the Auditor General's findings, which are the basic for the qualified opinion including among others, the following:**

- II. The Municipal did not have a proper Asset Register.
- III. A distribution loss reconciliation for both electricity and water sales were not performed on a monthly basis.
- IV. The performance report was not submitted with financial statements to the Office of the Auditor General (Non-compliance with regulatory requirements).
- V. Incomplete reporting on all predetermined objectives, indicators and targets.
- VI. Requested information was not available and supplied without any delay.

**1.2.Council rejects the annual report for the following reasons:**

- II. The report was not submitted as per the legislated deadlines
- III. The report does not include all the components as required by legislation, section 121(3) of the MFMA, such as the Annual Performance Report, etc.

**1.3.Action to be taken by the executive and administration: recommend that;**

- II. Annual financial statements must be submitted in time and must comply with section 126 of the MFMA, and ensure that the Assets Register complies with GRAP standards.
- III. The accounting officer must manage and maintain assets and liabilities of the municipality on regular basis and compliance with section 63 of MFMA.
- IV. Annual report must be submitted in time and must comply with section 127 of MFMA
- V. Expenditure management must comply with section 65 of MFMA with special emphasis on compliance with subsection 2(e) thereof,
- VI. Revenue management must comply with section 64 of the MFMA,
- VII. The accounting office must comply with his fiduciary responsibilities as required by section 61-70 of the MFMA,
- VIII. The accounting authority must account to the Public on the performance of the municipality and enhance public participation on the review thereof on regular basis
- IX. The accounting authority must exercise oversight responsibility over reporting and compliance with laws and regulations and internal control.
- X. Management must be available throughout the audit and oversight processes and provide the necessary supporting documents.
- XI. Internal and external audit findings and recommendations must be implemented

- XII. Financial statements and performance reports must be submitted for auditing as per legislation deadlines
- XIII. Fraud prevention plan must be documented and used as per requirements of applicable legislation
- XIV. Financial statements and performance report must be reviewed by the audit committee prior to submission for audit
- XV. Management must report on its performance against predetermined objectives, indicators and targets which are consistent with the approved integrated development plan and SDBIP,
- XVI. Adequate and effective financial management systems must be procure through supply chain processes by end of October 2011,
- XVII. Management must ensure proper record keeping and management
- XVIII. The accounting authority must ensure that all its official (management) meet the competency requirements as required by chapter 7 of the Municipal Regulations on Competency Levels, 2007.
- XIX. PMS be relocated from the Corporate Department and be under the Office of the Municipal Manager.
- XX. The Municipality must develop a Financial Recovery Plan.
- XXI. Bulk meters should be procured to address the water and electricity losses.
- XXII. The Municipality website must be up and running by end of January 2012 as per section 75 of the Municipal Systems Act.
- XXIII. The promulgation of By-Laws should be treated as a matter of urgency.
- XXIV. All other recommendations made by the respective section 79 Council Committees be implemented by respective departments except filling of vacant posts.
- XXV. That the accounting officer must in accordance with section 21A of the Municipal Systems Act make public an oversight report referred to in subsection(1) within seven days of its adoption.
- XXVI. The accounting complies with section 129 of the MFMA as regards the report.

#### **1.4. Annexures to the report provide the following**

- II. Different oversight committees' meetings (Section 79 Committees aligned to Departments) except the Corporate Services because of the commitment of both the Director and the Legal Manager, were held to review the report.
  - Copies of minutes of meetings of committee
  - Views and recommendations of Audit Committee were taken into account.
  - There were limitations at the time when the report was considered hence no consultation was done with the public because of the programme of the re-establishment of Ward Committee was still not finished an arrangement has done though for ward committees from all the ward to be part and participate in the council meeting. After a public notice was published for comments, no comments were received from any stakeholder.
  - See attached Annexure A for the responses to questions provided by the accounting officer:
  - National Treasury MFMA Circular No.32 of 2006

2. Council supports all the recommendations on the infrastructure and services oversight Committee except the recruitment of staff.

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**CL30/03/2012**

<b>C10/03/12R GOVERNANCE: OVERSIGHT REPORTS: ANNUAL REPORT FOR 2010/11 FINANCIAL YEAR (6/13/1)</b>
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**CL1.098      Resolved**

**That**

1. Council rejects the annual report.
2. The previous resolutions taken hereon be implemented.
3. Accounting officer capacitates the managers with Standard of Generally Recognized Accounting Practice GRAP17.
4. The chairperson of MPAC and the accounting officer must have monthly meetings to monitor progress on implementation of resolutions taken hereon.
5. Ward committees be involved in the monitoring of projects.
6. Payments certificates be processed after receipt of Project Steering Committee minutes authorizing payments by the Chief Financial Officer/ Municipal Manager.